

How to ensure the inclusion of Women, Youth and Refugees?

JORDAN INGO FORUM BRIEFING

The 2019 London Initiative will take place in London on February 28, 2019. It will demonstrate the 'scale of ambition of Jordan's economic transformation' and aims to generate committed international donor and the private sector to 'place Jordan's economy on a sustainable growth trajectory'. For civil society in Jordan, it is essential that the London Initiative connects the growth agenda with international sustainable development goals (SDG), especially the "leaving no one behind" SDG.

Strengthening Jordan's economy, ensuring jobs and growth for everyone, including women, youth and refugees, is vital to securing long-term stability and prosperity. While the London Initiative understandably targets high potential growth sectors and aims at easing access to high-skilled labour, it should nonetheless aim at realizing a tangible impact on the lives of vulnerable Jordanian and refugees altogether. Without dedicated efforts towards inclusion, those that have traditionally missed out on growth will continue to be left out by renewed foreign direct investment flows.

Snapshot: challenges

Despite important improvements in educational attainment, **women's labour force participation in Jordan has been consistently low**, with 13.9 percent compared to 63.6 percent for men according to the World Bank¹, and an even lower participation rate for female Syrian refugees (7 percent female, 51 percent male refugees)². This statistic reflects the traditional gender bias associating childcare and household responsibilities to women alone, regardless of their education, skill or ambition. When women do overcome these considerations, they face equally challenging barriers, including the lack of transportation to access training and work, low wages, poor working conditions, harassment, and a mismatch between the skills they have acquired in training and education and those required in the workplace.

Young people are also disproportionately affected by unemployment, and similarly, an increased level of educational attainment does not translate into higher employment opportunities, including for high-skilled youth. The mismatch between education (including university and vocational training) and the skills required by the labour market is one of the main drivers of high unemployment. The insufficient availability of decent jobs fails to absorb new market labour entrants and contributes to brain drain, or to the informal economy.

The Jordan Compact attempts to provide protection to Syrians through work permits but the scheme is not equipped to tackle the structural informality of the market. **The vast majority of Syrians remains in a highly vulnerable situation, subject to exploitation both in the formal and informal economy, which affects the wages and work conditions of not only Syrians but also Jordanian and migrant workers.** Restrictions in professions and occupations, as well as mandatory sector-quotas for the non-Jordanians result in a lack of formalization and legal protection of Syrian refugee workers.



KEY RECOMMENDATIONS

1. Boost the decent work agenda
2. Develop a conducive policy environment for investment and business
3. Implement the public transport reform
4. Adopt comprehensive measures for women and youth inclusion to the workforce
5. Align technical and vocational education and training with the demands of youth and firms
6. Increase work flexibility
7. Invest in refugee economic inclusion



The Jordan INGO Forum (JIF) is an independent network of international non-governmental organizations (INGOs) implementing development and humanitarian program in Jordan.
<http://jordaningoforum.org/>

Why invest in women, youth and refugees?

As Jordan embarks on a series of reforms, there is today an opportunity to tackle both Jordan's structural challenges and the knock-on effect of the protracted refugee crisis.

Low labour force participation of any group can have a significant impact on economic growth: economic development in Jordan cannot progress without Jordanian and refugee women and youth playing a greater role. Unleashing this workforce would significantly contribute to Jordan's GDP. Including refugees in the growth narrative would allow Jordan to tap into Syrians' recognized entrepreneurship and skill base, while benefiting from an economic multiplier effect, such as the spending of wages, potential job creation, and tax revenue generation.

Beyond economic yield, placing inclusion at the core of the growth agenda will support Jordan in meeting fundamental objective for lasting peace and stability, including social cohesion and the reduction of inequalities. Policy coherence will be essential and the London initiative will have to explore how the private sector can bolster key plans such as Jordan's Vision 2025, the country's commitment to the SDGs, and the World Bank Gender initiative (MASHRAQ Action plan).

Recommendations

In collaboration with local partners, businesses the government of Jordan, and the international community, civil society in Jordan has played an important role in creating, implementing, and piloting projects that contribute to job creation and revenue generation for Jordanians, refugees, and other vulnerable groups. The following recommendations are based on NGOs field experience and aim at unpacking the inclusive growth agenda into 7 priorities.

Cross-cutting

1. Boost the decent work agenda

NGOs report continued cases of abuses of the workforce, especially foreigners: arbitrary remuneration, low wages, refusal to pay overtime, and child labour. These perpetuate the economy's reliance on low-wage low-skill and is deterrent for workers, especially women and Jordanians. Far from having an immutable "culture of shame," a recent assessment by ILO³ showed that Jordanians are open to all sectors and occupations if working conditions are decent. Realizing job creation and employment potential require changes that make the formal market more attractive to domestic, as well as foreign workers. International investors can contribute to support workforce development and addressing work conditions, so it improves the retention of workers (Jordanians, refugees), benefits their business and avoids workers sliding into the informal market.

➔ Invest in sectors that create decent work; enhance labour rights awareness for workers, including refugees, employers, and cooperatives; and increase access to legal services for workers.

➔ Make decent work a priority by supporting the Ministry of Labour and ensuring that inspection scrutinizes labour conditions, focusing on occupational health, labour rights, safe working environment for women and men, sexual harassment in the workplace, and child labour.

➔ Engage more with workers and employers in the informal sector during the formulation of labour and decent work policies. Initiatives meant to support vulnerable Jordanians and Syrian refugees to find dignified work must recognize the size and scope of the informal sector in Jordan and the appeal to those in the workforce.

➔ Recognize the constraints imposed on the private sector by austerity measures, including tax increase, that drive up an already high cost of doing business and may be a barrier to creating dignified employment.

Current minimum wages are typically not enforced and remain below the livelihood needs of the workforce and the household poverty line, according to the World Bank⁴. This is especially the case for non-Jordanians, whose minimum wages are lower than Jordanians, which on top of perpetuating the cycle of poverty creates downward pressure on wages for the overall market. For vulnerable groups, including young Jordanians who cannot afford to remain idle, this pushes them to the informal sector.

➔ Undertake a revision of the minimum wages, including the gap between Jordanians and non-Jordanian workforce, in consultation with the social partners. This should include the representation of refugees and migrant workforce.

2. Develop a conducive policy environment for investment and business

Jordan needs to continue simplifying and improving the predictability of business regulations, as well as reducing red tape. This is valid for large scales investments projects as well as for small- and medium-sized enterprises (SMEs) and home-based businesses, which can serve as key vehicles for female and youth employment. Another work stream should be the joint-ventures between a Jordanian and a non-Jordanian. As of today, the legal ambiguity does not allow equal protection and ownership rights to both parties, which in the case of a Jordanian-Syrian refugee joint venture can lead to serious legal issue for the refugee.

➔ Incentivize and promote business formalization processes, especially by simplifying procedures lowering barriers to entry and improving access to credit. For joint ventures, create a clear legal framework protecting both parties equally.

In NGO experience, the implementation of any government strategy and policy, including the Private-Public-Partnership, heavily relies on collaboration with local authorities. Despite the decentralization framework, municipalities and local council remain heavily dependent on central government for their budget, as they can raise only a minority of their revenues from their own sources. Furthermore, formal market regulations are not well implemented at the local level. These risk to hamper the inclusive growth agenda, by creating inequalities across the territory.

→ Clarify the responsibilities and functional relationship between all actors of the decentralization and capacity build local actors to prioritize, plan, implement, and manage public resources. Local civil society groups can here become an ally, by holding local governments accountable.

3. Implement the public transport reform

The lack of safe and affordable transportation options is constantly pointed as a major deterrent to work, especially for women willing to work. Limited mobility affects woman entrepreneurs in accessing markets and support networks, conducting regular business, and registering and growing their businesses. In Jordan's National Employment Strategy (2011–2020), public transport is identified as an area that requires improvement to increase women's employment, especially in rural areas. Despite this, there has not been any significant shift in transport provision that has attracted more women into work. The accent on public transport in the 5-year' matrix growth is welcomed, especially the gender disaggregated measures.

→ Support the implementation of public transport reforms as set out in the 5-year matrix.

Women and youth integration

4. Adopt comprehensive measures for women and youth inclusion to the workforce

Progressing on the decent work agenda is the sine qua non condition to boost women and youth participation to the workforce. Effective inclusion in the economic system is linked to the provision of minimum conditions for dignified work, aligned to international standards and local cultural norms. Tackling gender discrimination, at the recruitment stage and in wages should also be a priority.

→ Foster the growth of businesses that are inclusive by nature, and then incentivize them to provide a healthy and supportive work environment. This could include tax incentives, wage subsidies for newly hired female graduates.

→ Improve all working environments through sexual harassment policies, reporting mechanisms, and awareness raising in the workplace.

A piecemeal approach may have some incremental success but may prove counterproductive and fail to create change. For example, while childcare remains one of the major barriers to women participating in the workforce, NGOs found that day-care centers, particularly for very young children, are not common or culturally acceptable among low-income demographics: a modular change that would only focus on daycare will not yield results.

→ Develop a clear, targeted and inclusive country-wide strategy for the economic empowerment of Syrian and Jordanian women over the longer term, informed by the experiences of women. It should also tackle structural obstacles, such as lack of transportation, and maternity and post-natal policies.

→ Promote and implement a legal and policy environment which supports women's economic empowerment by investing in strong public services in childcare, healthcare, and social protection. In complement, a government-led public campaign, with the support of civil society and the private sector can work to change attitudes and beliefs towards women's labour market participation. Finally, voting the amendment of the labour code on parental leave for fathers would send a strong signal.

→ Increase public investment in early childhood education for all children and in elderly care system. For example, expand day care centers, incentivize employers to apply the labour code and set up childcare support, and contribute financially to external childcare costs – including for Syrian women. Evidence from other regions demonstrates that a strong care economy boosts women's participation in the labour force, creates jobs and unlock growth.

5. Align technical and vocational education and training with the demands of youth and firms

Skill mismatch still hampers labour market participation and retention. The private sector is hardly involved in instructing and designing the Technical Vocational Education Training (TVET) system, resulting in curricula that do not match the labour market requirements. On the other hand, the Jordanian TVET system needs to overcome coordination and financing challenges to become an attractive option for young Jordanians.

→ Reform the TVET, as planned in E-TVET strategy, in close collaboration with the private sector, to make it more attractive to both employers and trainees, demand-driven and inclusive of all. Training should also build the necessary soft skills of future employees and their readiness to enter the job market.

➔ Facilitate a credential process that recognizes and certifies training and prior skills to harness the experience of the workforce, for example by emphasizing it in Jordan's National Qualifications Framework.

6. Increase work flexibility

Jordan introduced a flexible working system in 2017, representing a qualitative leap and should contribute to enhanced participation of women and youth in the workforce. However, confusion and misunderstanding regarding the notion of flexible work arrangements remain⁵ which may hamper the expected outcome of the policy.

➔ Increase public awareness on flexible work amongst employers and workers, both for women and men and expand the measure to Syrian refugees.

➔ Explore the sharing and gig economies, with the private sector and meaningful involvement of communities. This would need a wide-ranging review of the emergence and operations of the gig economy, workers' experiences of it, and how gig economy practices intersect with existing labour regulation – including the Jordan Compact to include refugees. It would also entail the promotion of digital inclusion and equality, proactively targeting women, and can represent a considerable opportunity for the IT sector.

Syrian refugees

8. Invest in refugee economic inclusion

The strict quotas for hiring Jordanian and non-Jordanian employees requires employers to increase the number of Jordanians on the payroll as they hire refugees. These constraints force employment strategies to derive from business consideration and growth. Besides, limiting the Syrian workforce to low-skill positions represents a missed opportunity and fails to harness the experience of Syrian refugees.

➔ Reviewing quotas and closed occupations, based on available skills from both Jordanian and foreign workforce, as well as sectors' growth potential.

➔ Allow skilled Syrian labour, particularly in sectors targeted for growth. To accompany this measure, there is a need to make the business case for refugee employment, rather than solely rely on Corporate Social Responsibility or Rule of Origins type of scheme. This can be made when employers face immediate difficulties in filling positions in areas where refugees can contribute, or for employers who have an active diversity policy aimed at boosting business.

¹ World Bank https://data.worldbank.org/indicator/SL.TLF.CACT.FE.ZS?year_high_desc=false

² UN Women, Labour Code Briefing

³ ILO, A Challenging Market Becomes More Challenging: Jordanian Workers, Migrant Workers and Refugees in the Jordanian Labour Market (2018)

⁴ World Bank, First Equitable Growth And Jobs Creation Programmatic Development Policy Financing (May 2018)

⁵ Karak Castle Center for Consultations and Training in Cooperation Friedrich Ebert Stiftung (FES) Legal Review of the Flexible Work Regulation of 2017 (2018)

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